GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3283
ANSWERED ON:12.05.2006
GRANT OF EDUCATION LOAN IN URBAN/RURAL AREAS
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Will the Minister of FINANCE be pleased to state:

(a) the total amount of educational loan disbursed to students residing and studying in rural and urban areas by the public sector banks during the last three years;

(b) whether there is any imbalance in sanction and disbursement of educational loans in urban and rural areas;

(c) if so, the reasons therefor and the measures taken/to be taken by the Government in this regard;

(d) whether the Government has any proposal to includeeducational loans/ credit under `priority sector lending` schemes, so as to encourage students belonging to weaker, socially and economically backward sector to avail higher education;

(e) if so, the details thereof; and

(f) if not, the reasons therefor?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI PAWAN KUMAR BANSAL)

(a), (b) & (c): Reserve Bank of India(RBI) has reported that it does not capture data on disbursement under Education Loan in urban & rural areas separately. However, as reported by Indian Banks` Association(IBA) the total loans outstanding under education loan scheme by public sector banks for the last three years are as under:-

Years	No. of accounts	Amount (Rs. crores)
2003-04	319337	4550.06
2004-05	468207	6173.16
2005-06	718046	10525.12

(d), (e) & (f): Education loan upto Rs.7.5 lakh for studies in India and upto Rs.15 lakh for studies abroad covering courses in schools and colleges are already covered under priority sector lending.